

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:460

ANSWERED ON:01.03.2007

GROWTH IN PASSENGERS TRAVELLING BY AIR

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Will the Minister of CIVIL AVIATION be pleased to state:

- (a) the rate of growth in passengers travelling by air each year during the last three years;
- (b) the steps taken to connect small and medium cities by air links to promote air travel and meet demand of people;
- (c) whether the Government proposes new policy initiatives to encourage private sector and invite foreign direct investment in constructions new airports and other infrastructure required for new airlines connecting small cities; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a) The growth of domestic passenger traffic was 25.0%, 22.8% and 46.5% in the year 2004, 2005 and 2006 respectively.

(b):- The Government has laid down route dispersal guidelines with a view to achieve better regulation of air transport services taking into account the need for air transport services of different regions of the country including North-East region. Subject to compliance of route dispersal guidelines issued by Government, it is up to the airlines to provide air services to specific places depending upon the traffic demand and commercial viability. (c) and (d):- As per existing policy 100% Foreign Direct Investment is permitted in greenfield airports through automatic route. At existing airports 74% FDI is permitted through automatic route and up to 100% through Foreign Investment Promotion Board (FIPB) route.